MEMORANDUM FOR THE RECORD

SUBJECT: Benefits and Allowances for Local Hire Employees -Meeting of 6 October 1982

A meeting was called by Chief, Allowances Branch, OP/CAD, on 6 October 1982 to discuss benefits and allowances for local hire employees. Present were representatives of OP/CAD, OP/P&PS, DO/CMS and DO components. (AIUO)

The question was asked, "What is a local hire?" Discussion of this question moved into a discussion of MODE Category 2 contract employees. There is no longer a MODE ceiling. However, components still report MODE statistics to CCS. CCS does not question these statistics but reports them to State.

There are MODE Category 2 contract employees. (C)

One answer to the original question was suggested: "A local hire is a contract employee who is in the field but who was not sent to the field on a PCS travel order." (AIUO)

The comment was made that benefits cost a lot of money. (U)

Mention was made of Headquarters vs. field contracts. Under a <u>real</u>
Headquarters contract, an employee would be sent PCS to the field into an
established position. A local hire would be employed on a WAE basis to meet
are on-the-spot requirements. (AIUO)

25X1

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The question was raised of what State regulations say. In the case of tandem couples, each half of the couple, under State regulations, has to sign a service agreement to go anyplace, anytime, including separation from the other half of the couple. (U)

LWOP was mentioned. (U)

One opinion was that only one of two staff employees married to each other should be entitled to benefits and allowances. Other opinions differed. (AIUO)

Mention was made of a case where a COS wanted an employee paid as if she were a qualified typist although she tested at only 30 words per minute. The COS explained that the employee had not been in a job, but permitted her to keep up her typing speed. (AIUO)

The question of benefits for a staff, part-time, regular schedule employee was raised. The consensus of the group was that this type employee should not receive full-time staff benefits and allowances. However, this was not a unanimous opinion. (AIUO)

Mention was made that Payroll takes certain positive actions just on the basis of an employee being Staff. (AIUO)

Mention was made that the purpose of benefits and allowances is to motivate employees to go to the field. (U)

There was agreement (except for one component representative) that the service abroad agreement is not enforced. (AIUO)

There was a consensus that the spouse staff employee who has signed a service abroad agreement who moves into a previous/jidentified full-time position in the field should receive benefits and allowances even if the position is not immediately available. (AIUO)

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It was agreed that if changes are made, a grandfather provision would be included. (AIUO)

The Interim Overseas Differential was briefly discussed. (AIUO)

Component representatives were asked to ensure that component managers are aware that where there are married staff employees in the field, there will be an increasing number of cases of separate home leaves and R & Rs.

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(AIUO)	EV4
It was agreed that	5 <b>X</b> 1
would develop ideas on this subject and get together prior to 25	5X1
presenting recommendations to DO and other appropriate components. (AIUO)	
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